




"Doug Sensenig"  
<dougsensenig@gmail.com>  
09/30/2009 08:29 AM

To <Molly.E.Schmidt@hawaii.gov>  
cc ""Susan Perri"" <susanperri@hotmail.com>, ""Jim Albertini""  
<JA@interpac.net>  
bcc

Subject Malu 'Aina LL Application questions

History:  This message has been forwarded.

Aloha Molly –

Thanks for your inquiry. Here are the answers:

- How does Malu Aina plan to structure the donation of the conservation easement to HILT?  
Please be aware that certain conditions and restrictions may apply to the transfer of lands that have been acquired with Legacy Land funds (see Hawaii Revised Statutes, sections 173A-9 and 173A-10, regarding transfers of lands acquired with Legacy Land funds)

Hawai'i Island Land Trust and Malu 'Aina are currently discussing donation by Malu 'Aina of a permanent agricultural conservation easement on the subject property once it is acquired. Pursuant to HRS §§173A-9 and -10, this easement would be subject to approval by the Legacy Lands Commission. If the conservation easement can be structured such that it is purchased, any proceeds would be subject to the requirements of the statute.

- On the Estimated Acquisition Cost Worksheet (Page 11), what are the four costs listed in the "other" rows for?

The Legacy Lnd Application form did not allow any extra information to be entered under the "other" category in the Estimated Acquisition Cost Worksheet. Those costs are as follows:

Title policy: \$3000  
Escrow and Recording fees: \$3050  
Farm supplies and Conservation easement fees: \$10,000 (\$5,000 each)  
Interest on short-term loan to secure property: \$30,000

(see page 7 of the attached final app in Word for more details, or page 11 of the scanned submission copy).

Please contact me if you have any further questions or need clarification of any of these points.

Mahalo!

Doug

Doug Sensenig  
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Hawai'i Island Land Trust

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MaluAinaLegacyLands2009(Final) - Word Doc.doc

# **GRANT APPLICATION FORM 2009-2010**

## **Legacy Land Conservation Program**

### **Department of Land and Natural Resources**

**(Revised July 2009)**

**Project Title: Malu Aina Farmland Conservation**

**Applicant: Malu Aina Center for Non-Violent Education and Action**

**Project Location (Island and District): Hawai'i, Puna**

#### **APPLICATION PACKAGE CHECKLIST (check the boxes if the following items are attached and provide an explanation if they are not):**

X Letter from current landowner acknowledging project and indicating willingness to sell

X A general location map and a parcel map

X At least one (1), but no more than three (3) photos of the property

Any concise and relevant appended/supplementary materials (optional)

#### **X FOR NONPROFIT LAND CONSERVATION ORGANIZATIONS**

o Copy of mission statement and

o IRS 501 (c) (3) or (c) (1) non-profit status determination letter

**WHERE INTENDED HOLDER OF PROPERTY IS OTHER THAN APPLICANT:** the intended holder must sign this form as a co-applicant and provide any forms required of applicants AND provide a letter indicating willingness to participate

#### **CERTIFICATION:**

*I/We hereby certify that the statements and information contained in this Legacy Land Conservation Program Grant Application, including all attachments, are true and accurate to the best of my/our knowledge and understand that if any statements are shown to be false or misrepresented, this application may be rejected.*

Name\* (please type): James V. Albertini

Title: President

Signature\* (sign after printing): \_\_\_\_\_

Date: Sept. 14, 2009

\* Must be authorized to sign on behalf of agency or organization.

## **SECTION A. APPLICANT INFORMATION**

Agency / Organization Name: Center for Non Violent Education and Action, a.k.a. Malu Aina

Mailing Address: PO Box AB, Kurtistown, HI 96760

Contact Person and Title: James Albertini, President

Phone Numbers (best contact, work, cellular): 808-966-7622

Email Address: info@malu-aina.org

Agency / Organization Website (include URL to any specific pages regarding this project):  
www.malu-aina.org

## **SECTION B. TYPE OF ACQUISITION**

1. We are requesting funding for the acquisition of:

☒ Fee simple interest in private land

☐ Permanent conservation or agricultural easement

2. We intend for the property interest to be held by:

☐ State of Hawaii

☐ County of:

☒ Other (indicate entity)\*: Center for Non-Violent Education and Action (Malu Aina)

\* If the intended holder of the interest is an entity other than the applicant, please attach a letter from this entity acknowledging its participation in the project.

## **SECTION C. DESCRIPTION OF LAND (SUMMARY)**

1. Location of property (please be as specific as possible; for example, "Moloaa, makai, located on the north shore of Kauai"): Ten miles south of Hilo on the makai side of Highway 11, Puna District, Hawaii Island

2. Tax Map Key(s) (use the following format: "(4) 5-6-007:008"):

(3) 1-1-002-016

3. Size of property (indicate acreage or square footage):

11.14 acres

4. What types of easement(s) are located on the property? (for example: vehicular, pedestrian for beach access, utility, etc.): a conservation easement will be donated on the entire property in addition to an easement on Malu Aina's adjacent 22-acre working organic farm through Hawaii Island Land Trust to protect agricultural use of the land in perpetuity.

5. Does the seller have full undivided fee ownership of property ("clear title")? If not, please explain. Attach a preliminary title report (see instructions).

Yes

6. Will the public have access to property or easement?

Yes

X No

7. Please provide the following land use information:

State Land Use Designation	Agriculture
County Zoning	Ag5A
County General/Community Plan Designation	Important Agricultural Land
Flood Zone Designation	Zone X outside 500 year flood plain

8. Is property located in a Special Management Area?

Yes

X No

9. Please describe any structures (e.g. size, location, use, condition, etc.) on the property.

None

10. What kinds of land uses/activities are underway on the property? Please describe land uses/activities underway on the subject property and on bordering properties.

Approximately four acres are presently planted in Dracanea. To the east: organic fruits and vegetables. To the northwest: Fuku-Bonsai farm, to the north: macadamia and floral cultivation, to the south: fruit orchard.

11. What types of surveys or documented analyses, if any, have been conducted regarding the property (e.g. environmental assessments, cultural assessments, environmental impact statements, biological field surveys, archeological surveys, Special Management Area permit applications)?

None of the above has been conducted; the land was previously under sugarcane cultivation.

#### **SECTION D. PRESERVATION PURPOSES**

1. We propose that the property be acquired for the following preservation purpose(s) (check all that apply, and then provide more information regarding the preservation purposes in numbers 2 through 10 below for *checked areas only*):

Watershed protection

Parks

Coastal areas, beaches and ocean access

Natural areas

☒ Habitat protection

☒ Agricultural production

Cultural and historical sites

☒ Open spaces and scenic resources

Recreational and public hunting areas

2. Watershed Protection: Please describe the watershed function of this property: (elevation gradient, type/condition of vegetation, presence of perennial or ephemeral streams or drainage channels, other water bodies, etc.).

(character limit 1,200)

3. Coastal areas, beaches and ocean access: Please describe the environmental significance of this property (e.g. length of shoreline, intertidal areas, type/amount of beach, coastal strand vegetation, extent of erosion, etc.). Please describe the type and extent of ocean access.

(character limit 1,200)

4. Habitat Protection: Please describe the types of habitat present within the property, including the types of wildlife species that use the area and the elevation range of the property. Describe the condition of habitat, including the presence of both threatened & endangered and invasive species. Describe the size/diversity of wildlife populations. Note if the habitat is formally

designated (e.g. critical habitat, wildlife refuge, etc.). Note also the condition and extent of wildlife habitat on adjacent lands.

(character limit 1,200)

While agricultural use and preservation is Malu Aina's primary focus, the Hawaiian hawk (ʻŌʻo) has frequently been sighted on and flying over the property as well as adjacent properties. Protecting the historical agricultural status and value of this important parcel will ensure the land is used for agricultural purposes in perpetuity, simultaneously protecting the pristine character of the land for endemic and other native species' habitat..

Malu Aina's organic farming practices maintain a balance between agriculture and natural resources. Organic farming rotates crops in order to keep the land fertile, plants cover crops to retain water, and replenishes the soil's organic matter to cultivate pest-resistance and high nutrient value.

Effective conservation practices and stewardship within this property will minimize soil disturbance and maintain water quality. This project will model a high diversity of land uses and values — such as conservation easements and agriculture. The Malu Aina farmlands are a “living landscape,” and the territorial diversity that makes up the farm will bring a different way of thinking and planning vis-à-vis the ecological processes at work on the earth.

5. Cultural and historic sites: Please identify the presence, location and condition of cultural or historic structures or sites (e.g., heiau, loʻi, burials, burial caves, dunes, or remnant walls) on the property. Identify any sites that are listed on or eligible for the National Register of Historic Places.

(character limit 1,200)

6. Recreational and public hunting areas: Please identify ongoing types and levels of public recreational activity on the property and describe the level of public access. Please identify the types of activities anticipated after acquisition of the property. Is public hunting currently underway on the property? Is the property within a Game Management Area?

(character limit 1,200)

7. Parks: Is the parcel within or adjacent to a Federal, State or County Park? If so, please describe.

(character limit 1,200)

8. Natural Area: Please describe the natural resources on the property (e.g. streams, estuaries, anchialine ponds, dunes, caves, forest, etc.). Is the property within or adjacent to a formally designated natural area (e.g., Natural Area Reserve, Refuge, Sanctuary, etc.)?

(character limit 1,200)

9. Agricultural Production: Please describe the types and extent of agricultural activities underway on the property or adjacent to the property. Note if there is a record of past

agricultural activities.

(character limit 1,200)

The property is prime kipuka deep soil, with about four acres currently under ornamental plants cultivation. The remaining acreage includes grasses, remnant sugarcane, and various weed trees (Cecropia, Albizia and Gunpowder). To the east is Malu Aina's working organic farm, to the west is Fuku-Bonsai, to the north are macadamia and floral cultivation, and to the south is a fruit orchard. W.H. Shipman Company and the County of Hawai'i have records of the previous sugarcane cultivation for this parcel. Malu Aina's primary mission is organic agriculture and will maintain the property in agricultural use.

10. Open spaces or scenic resources: Please describe the open space values of the property. Is the property readily visible from surrounding and/or distant areas? Describe the view plane from the property. Does the property itself have unusual or exceptional value as a site from which to view and appreciate scenic vistas?

(character limit 1,200)

According to the Hawai'i State Department of Land & Natural Resources, the forests and wild lands of Hawai'i Island provide the last refuge for many native species. Hundreds of threatened and endangered species cling to existence across the Island. The U.S. Fish & Wildlife Service Threatened and Endangered Species System lists 329 plant and animal species on Hawai'i as endangered (63% of its species). Maintaining the beauty and integrity of our scenic and cultural landscapes is imperative for the economic health of our islands. Our responsibility as stewards of the land requires us to protect and nurture the plants and animals that live there. With increasing development underway on Hawai'i Island, agricultural lands provide green open space. The property in question provides a valuable scenic counterpoint to local residential and commercial development and preserves scenic views of Mauna Kea and Mauna Loa. These views would be severely compromised or altogether lost if future development occurs on this parcel.

## **SECTION E. ENVIRONMENTAL HAZARDS**

1. If there are suspected or potential hazards associated on or related to this property, please check all the following that apply and describe each:

☒ There are no known hazards.

☐ The property is a designated brownfield (former industrial use).

☐ There has been illegal dumping /hazardous materials.

☐ The property is prone to flooding or is a natural drainage basin.

☐ The property is prone to falling rocks or mudslides.

☐ The features of the property's surface are potentially hazardous (i.e. uneven, rocky, or fallow terrain, overgrowth of flora, etc.).

☐ Other suspected or potential hazards:



## SECTION F. FUNDING REQUEST

1. What is the fair market value of the fee simple property? \$255,500
2. What is the fair market value of the conservation/agricultural easement?
3. How were the estimated values determined? Through the Hawai'i County Real Property Tax Office in FY2008.

Appraisal Report (indicate date & author of report) Hawai'i County Real Property Tax Office, 2008.

Current County Tax Assessed Value: \$177,100

Other (please specify)

4. Is the property or easement currently listed for sale or has it been listed for sale within the past two years?

X Yes - asking price: \$250,000

No.

5. Please provide an estimated timeline for acquisition (note that funding will expire two years from date of award agreement):

March/April 2010 - Legacy Land awards announced/secured

Spring 2010 - Environmental Phase I study conducted

Summer 2010 - Land purchase completed

Fall 2010 - Conservation easement concluded with Hawai'i Island Land Trust

(character limit 500)

6. What is the total estimated cost for acquisition? Please use the table below:

### Estimated Acquisition Cost Worksheet

Expense Item	Estimated Cost	% of Costs to be Paid By:		
		Land Owner	Applicant	Other
Appraisal report	\$750	50%	50%	
Title report	\$750	50%	50%	
Property survey	\$1000	50%	50%	
Subdivision				

Environmental investigation	\$5000	50%	50%	
Other:				
Title policy	\$3000	50%	50%	
Escrow	\$3000	50%	50%	
Recording fees	\$50	50%	50%	
Farm supplies	\$5000	---	50%	
Conservation easement fees	\$5000	50%	50%	
Interest on short-term loan to secure property	\$30,000		100%	
Subtotal	\$53550			
Estimated Value of Property	\$255500		100%	
<b>TOTAL ANTICIPATED COST OF ACQUISITION</b>	\$309,050	2%	98%	

7. What are the anticipated matching funds? Please use table below:

**Estimated Matching Funds Worksheet**

Type	\$ Amount	Source of Funds or Basis of Valuation	Status* (Secured/Pending)
Private funds	54987	Supporters	Secured
Public/other funds	6775	Current owner	Secured
Land value donation(can include bargain sale reduction in price from fair market value in this category)	5500	Less than fair market value	Commitment by current owner
In-kind contributions	10,000	Human resources/administrative costs	Secured

<b>TOTAL MATCHING FUNDS</b>	\$77,262 (25%)	
<b>AMOUNT BEING REQUESTED FROM THE LEGACY LAND PROGRAM</b>	\$231,788 (75%)	
<b>TOTAL ANTICIPATED COST OF ACQUISITION</b>	\$309,050 (100%)	

\* Please describe the current status of any pending funds and indicate the date that any pending funds will become available if they are awarded:

## **SECTION G. PROJECT DESCRIPTION**

### **1. Briefly describe the overall significance and importance of the property and/or easement.**

In FY2008, Malu Aina submitted an application for funding under the Legacy Lands program for this specific project. However, at the final stage of review the project was denied funding by Governor Lingle. As such, the project has been on hiatus as the organization has worked to reconfigure existing resources and secure new funds in the current challenging economic climate. The landowner is still very willing and committed to working with Malu Aina and has made a good faith effort to hold the property until such funds can be secured to purchase the land. Unfortunately, time is running out.

Under the new FY2009 Legacy Lands solicitation, Malu Aina has increased its amount of matching funds and partnered with Hawai'i Island Land Trust (HILT). HILT is a local, tax exempt, community-based land trust working island-wide to facilitate the preservation of cultural, environmentally sensitive, and historical lands for future generations to enjoy. Malu 'Aina will seek to protect this acquisition with an agricultural conservation easement to be held by HILT that will protect the agricultural character of the property in perpetuity. An executed Memorandum of Understanding to this effect between Malu Aina and HILT is included with this application.

The 11.14-acre property is significant and important because it is prime agricultural land, with kipuka deep soil. It has a County General Plan designation of Important Agricultural Land (IAL). Situated at 600+' elevation, near Volcano Highway 11 on the slopes of Kilauea and Mauna Loa, it enjoys abundant rain for growing a wide variety of fruits and vegetables. It is very close to the population center of Kurtistown—offering the possibility of opening a farmers' market either at a nearby church or even closer cultural center. It will expand opportunities for us to share food, without cost, to people in need.

The property also has the advantage of bordering our non-profit organization's 22-acre organic farm. We are committed to keeping our own property and the surrounding neighborhood intact as agricultural land. This commitment is also shared by our neighbor—a farmer and current owner of the parcel we wish to acquire.

2. Identify any conditions that threaten the significance and importance of the subject site. This may include anticipated uses of neighboring lands, environmental conditions (e.g. sedimentation, runoff, invasive species, conflicting activities, etc.).

There are definite conditions, both existing and potential, that could pose a threat to maintaining the pristine agricultural nature of the property. The threat of the area becoming a "gentleman's estate" enclave is very real. The trend is clear: important agricultural land is not being used for agriculture. Two properties in the immediate vicinity are for sale. One of them has only a lawn under cultivation. Across the road from these two, the current owner of a large property has planted lawns and rows of privacy trees, with all indications of readiness for subdivision. If such upscale residential development is allowed to become the pattern, shopping malls and other commercial enterprises will not be far behind.

Should these anticipated, undesirable uses occur, there will inevitably be negative environmental impacts on the subject property. Its downslope location will be the victim of runoff, erosion and the introduction of invasive species.

## SECTION H. STEWARDSHIP AND MANAGEMENT

3. Briefly describe the proposed use of the acquired property or easement including any short and long term goals, resource management plan, sources of start up funding, operation and maintenance funding. Disclose any intended commercial uses. Will any intended activities on the land require permits? What entity (if not the applicant) will manage the property/easement? Please describe the expertise and experience of the managing entity. How will any cultural resources that are present integrate into the overall preservation/protection and use of the property?

The underlying purpose for seeking this property is to preserve prime agricultural land, promote food self-sufficiency, and build a sustainable food future. The property is situated in Puna District, an area with high unemployment and a high percentage of low-income residents. It is one of our state's poorest districts. Surrounded by poverty, we see our role as both economic and humanitarian.

World oil prices are escalating. Related increases in shipping costs impact heavily on Hawai'i, which currently suffers from its over-reliance on imported foods. Our proposed use of the land is to grow food for our local community—both for sale at an affordable price and to share, without cost, to people in need. Though sales through local outdoor markets and natural food stores might be termed "commercial," our purpose is definitely not to grow for profit. As has always been our practice, whatever modest income is realized through food production will be shared with others and used for the educational activities to which our non-profit organization is dedicated.

The Center for Non-Violent Education and Action (CNVEA) has nearly 30 years of stewardship experience in managing and caring for the 22 acres of land entrusted to its care. Established in 1979 as a non-profit corporation, its members have successfully converted abandoned sugar plantation acreage into Malu Aina Farm—a small-scale, diversified agricultural project that produces organic fruit and vegetables for local consumption and distribution. Tilapia and catfish are also raised in a number of fish-tanks scattered throughout the farm. The farm is home to a small, all-volunteer community that welcomes interns and guests from around the world to contribute time and skills—and to be educated in the ways of simple living and sustainable agriculture.

Building on our successful track record spanning three decades, we envision great possibilities for expanding existing programs and initiating new ones on the acquired property. One possible project is the development of a farm incubation center, which would include an heirloom and native plants seed repository. Malu Aina has already developed a kalo repository, consisting of 30 varieties. An incubation center could also train young farmers, help set up community gardens, and make plots available to individuals and groups to grow food for local consumption. In all that we plan for this property, our primary guide will be traditional, non-depleting methods of cultivating and caring for the land.

Finally, Malu Aina will seek a conservation easement on the new acreage to facilitate the permanent protection of these lands for agricultural use. Working together with Hawai'i Island

Land Trust, Malu Aina would grant this easement in perpetuity. This project is aligned with land use that will honor Hawai'i's people and heritage; value and perpetuate Hawai'i's natural and cultural resources; engender mutual respect among all stakeholders; and support a vital and sustainable economy. Hawai'i Island Land Trust would manage long-term stewardship of the conservation easement.

## SECTION I. CULTURAL AND HISTORICAL SIGNIFICANCE

4. Briefly describe the cultural significance and historic uses of the property. As guidance, please consider the following information: a. Name of area; translation and possible interpretation; b. Known pre-contact history and land uses; and c. Neighboring areas/ahupua'a information and its relationship to the site being considered.

The Fukumoto property is located in the Ola'a ahupua'a of the Puna District. Puna means spring source and the district has plenty of underground rivers and springs which feed down slope to the fish ponds at the former populous village at Kea'au Beach and the sacred site of Ha'ena point. Ha'ena means "intense breath," representing the first breath of life. Pua Kanakaole Kanahele teaches all of her students of the chants of Kea'au and considers Kea'au Beach the birthplace of the Hula, where Hopoe taught Pele's sister, Hi'iaka, to dance the hula.

The Ola'a ahupua'a was an unusual land locked ahupua'a for a sacred forest area. Malu Aina has a working relationship with the Hawelu family (Lawrence and Richard) in Kurtistown and according to them, their family were the bird catchers of the Ola'a sacred forest for the unique colored feathers for the ali'i capes. In the 1800s the Hawelus operated a halfway house near what is now Mt. View for people making the journey from Hilo or Kea'au Beach to Volcano along the Kahiko Pele trail. At lower elevations of the trail ulu trees were planted as a food source for travelers along the trail. Many people, including Queen Liliuokalani and Mark Twain made that journey.

It is said that much of the forest in the Ola'a ahupua'a was initially cleared in the mid to late 1800s to make way for coffee being grown in the area and later replaced with sugar cane --Ola'a and later Puna sugar companies. Lorrin Thurston, former owner of the Honolulu Advertiser and key architect in the overthrow of Hawaii married Clara Shipman of the Shipman family. The Shipmans and Thurston were involved in the Ola'a and Puna sugar ventures located in both the Ola'a and adjacent Kea'au ahupua'a. The Kea'au ahupua'a belonged to the Lunalilo Trust that was to benefit the poor. The missionary trustees sold off the lands of Kea'au to fellow missionary W.H. Shipman 64,000-acres for \$20,000 or 29 cents per acre, a bargain price even by the standards of the late 1800s. Today the Lunalilo trust is one of the poorest of the Hawaiian trusts.

Malu 'Aina is on the edge of the Ola'a ahupua'a and the Kea'au ahupua'a. The name --Malu 'Aina was given by Bernard Punikaia of Kalaupapa and Hale Mohalu. His translation was "Land of Peace", but he said it also means to shade and protect; to nurture the land that will nurture us. The east side boundary of Malu Aina is the border of the Kea'au ahupua'a and is the site of the trail heading from Hilo and Kea'au Beach to Volcano. James Ahia who was a long time Ola'a resident and member of Ola'a Hawaiian Congregational church said his favorite taro grown in the area was lauloa, which has a white corm and makes very good poi. He gave Malu Aina lauloa and several other taro varieties to plant.

Today, the present rural subdivisions -- Orchidland, Hawaiian Paradise Park, Hawaiian Acres, Fern Acres, etc. are all located in the Kea'au ahupua'a. Kurtistown, Mt. View and surrounding prime agricultural lands are all in the Ola'a ahupua'a and are coming under increasing pressures for urban development.